



San Diego City Attorney **MICHAEL J. AGUIRRE**

NEWS RELEASE

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PENSION COURT DECISION IS A DEFEAT FOR THE TAXPAYERS; AGUIRRE TO APPEAL JUDGE BARTON'S DECISION

San Diego, CA: Calling it a defeat for the taxpayers of San Diego, City Attorney Michael Aguirre announced that he will appeal today's decision by Superior Court Jeffrey B. Barton. In his ruling, Barton declared that due to subsequent legal settlement agreements, the majority of pension benefits granted to City employees in 1996 and 2002 cannot be reversed. He did not rule on the legality of the benefits.

"A well-meaning court has allowed technicalities to negate the ability of the law to remediate this debt. The decision is a mistake," said City Attorney Michael Aguirre.

City Attorney Aguirre will ask Judge Barton to expedite entry of his final statement of decision, which will allow the City Attorney to file a petition for a peremptory writ of mandate with the 4th District Court of Appeal to overturn the Judge's ruling.

In his decision, Judge Barton said, "previous inconsistent positions taken by the City before filing of the cross-complaint raise significant obstacles to the City's current effort to undo the remaining pension benefits." In other words, the City never raised objections to the legality of the pension benefits in previous court actions known as the *Corbett* and *Gleason* settlements.

"This is not a proud moment for any City official who participated in the very decisions that are now being deemed as obstacles by Judge Barton," remarked Aguirre. "There is nothing to celebrate in saddling the public with this debt."

According to Aguirre, the current combined pension and city employee health benefit debts amount to \$3 billion, equaling \$12,000 per household within the City of San Diego.

In addition, the Court swept aside California's Section 1090 conflict-of-interest violations which occurred when pension board members voted in 1996 and 2002 to allow the City to underfund the pension system in exchange for personal pension benefit enhancements. Aguirre said no court ever ruled in this manner involving a 1090 case.

"What is important is not that you win every battle, but that you win the last battle," said Aguirre.

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